

**PUBLIC PROTECTION CABINET**  
**Department of Insurance**  
**Division of Health and Life Insurance and Managed Care**  
**(As Amended at ARRS, April 13, 2021)**

**806 KAR 19:050. Combined health and dismemberment restrictions.**

RELATES TO: KRS 304.19-080, 304.19-120

STATUTORY AUTHORITY: KRS 304.2-110

NECESSITY, FUNCTION, AND CONFORMITY: KRS 304.2-110 authorizes the Commissioner of Insurance to promulgate administrative regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code as defined in KRS 304.1-010. ~~[KRS 304.2-110 provides that the Executive Director of Insurance may make reasonable rules and regulations necessary for or as an aid to the effectuation of any provision of the Kentucky Insurance Code.]~~ ***This/The function of this*** ~~[This]~~ administrative regulation ***prohibits/is to prohibit*** ~~[prohibits]~~ the writing of ~~[both]~~ health and dismemberment insurance in connection with a credit transaction unless the debtor has a choice upon extinguishment of the debt, to receive a refund of ~~[are fund for]~~ premiums paid for the unused insurance, or to continue the coverage under the unused insurance.

Section 1. An ~~[No]~~ insurer shall not write or issue any health and dismemberment insurance policy in connection with a credit transaction subject to the provisions of KRS Chapter 304, Subtitle 19, ~~[that, [the insurance code, which,]~~ alone or in conjunction with ~~[of]~~ the policy ~~[policies]~~, is expressly written as security for a loan. Unless ~~[, provides for both health insurance and dismemberment insurance; unless the insurer shall afford to the debtor a choice, when]~~ the debt is extinguished prior to maturity at the end of the claim, the insurer shall grant the debtor the choice to receive a refund of premiums paid for the unused insurance~~[,]~~ or to continue the coverage afforded by the ~~[such]~~ unused policy ~~[or policies]~~.

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